



U.S. SENATE COMMITTEE ON

# Finance

SENATOR CHUCK GRASSLEY, OF IOWA - CHAIRMAN

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## Grassley Looks Forward to Continued Customs Progress

WASHINGTON – Sen. Chuck Grassley, chairman of the Committee on Finance, today commented positively on the findings of a new General Accounting Office (GAO) report on the Bureau of Customs and Border Protection's (Customs') prospective rulings.

"This report demonstrates that good accounting makes a difference," Grassley said. "An earlier GAO report, issued in September 2000, found that most of the prospective rulings on the classification, valuation, and markings of imported goods from the Office of Rules and Regulations were not timely. In response, we included language in the Trade Act of 2002 to continue to monitor this situation. We're not there yet, but I'm very glad to find that Customs appears to be making the right changes and is correcting this problem.

"Customs plays a vital role in the enforcement of our nation's trade laws and policies, so it's important that the trade-related rulings made by Customs' Office of Rules and Regulations are done in a timely manner.

"When decisions get held up, people lose time and money. And I hope that Customs will continue to improve its timeliness on these decisions so that the trade community can keep the import and export engine of our economy going. I also hope that Customs will adopt the GAO's recommendations. Further improvements in record-keeping will give Customs a stronger management of its cases and the timeliness of its decisions."

Customs' Office of Rules and Regulations (OR&R) is responsible for drafting regulations that implement U.S. trade laws, issuing rules on the proper classification, valuation, marking and entry of imported goods, and providing guidance to the trade community and other Customs offices. The GAO report found that the response time for prospective rulings made by the OR&R headquarters had improved significantly since 2000. From February through October 2002, OR&R completed about 75 percent of these cases within its prior timeliness goal of 120 days, and about 64 percent within OR&R's new goal of 90 days. In contrast, in 2000, OR&R only completed 33 percent of its cases within 120 days. For cases that opened and closed from July through October 2002, OR&R completed an estimated 94 percent within 90 days. In addition, OR&R headquarters reported that it was successful in its efforts to eliminate a backlog of 757 ruling requests.